

**SECRET**DPD-4809-59  
15 July 1959

## MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 9 to Contract No. BC-200 with Hycon Mfg. Company, Pasadena, Calif.,  Project CHALICE and Air Force

25X1

1. This memorandum contains a recommendation submitted for approval of the Deputy Director (Plans). Such recommendation is contained in Paragraph 5.

2. Contract No. BC-200 covers Project CHALICE and Air Force requirements for "B", A-2 Configurations and related equipment. Amendment No. 9 sets forth the final price for performance of the contract subject to property audit and personal property tax adjustment. Record of settlement negotiations are set forth in memorandum dated 16 April 1959, DPD-2509-59 which was approved by the Deputy Director (Plans). The Company, by their letter dated June 8, 1959, accepted the Contracting Officer's offer of \$2,798,000.00.

3. Amendment No. 9 results in a total decrease of \$342,760.66 which should be liquidated as follows:

<u>Project</u>	<u>FY</u>	<u>Amount</u>
CHALICE	1958	\$183,711.72
Air Force "No Year"	1958	159,048.94

The final contract price is as follows:

CHALICE	Schedule I	\$ 951,459.90	
CHALICE	Schedule III	<u>193,373.98</u>	
	Sub-Total		\$1,144,833.88
Air Force	Schedule II	\$1,459,792.15	
Air Force	Schedule III	<u>193,373.97</u>	
	Sub-Total		<u>\$1,653,166.12</u>
	Grand Total		\$2,798,000.00

By concurrence to this memorandum the Comptroller signifies that funds have been liquidated as provided above.

4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate

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account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, (Formerly 10(b) - see 85-507 dtd 7/7/58) for each contract.

5. Approval of Amendment No. 9 to Contract No. BC-200 as written is recommended.

  
Contracting Officer, DPD

**CONCURRENCES:**

*Liquidation of excessive obligations  
may be effected only after remittance  
of overpaid amounts*

  
Comptroller, DPD

  
Office of General Counsel

**WILLIAM BURKE**  
Col., USAF  
Acting Chief, DPD-DD/P

Approval requested in  
Paragraph 5, granted.

**Distribution:**

Orig - BC-200  
cc - Finance  
cc - Chrono, RI

DPD-DD/P  :mw (15-7-59)

**RICHARD M. BISSELL, JR.**  
Deputy Director (Plans)

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